

# Education Budget Priorities

Presentation to Senate Finance Education  
Sub-committee  
Secretary of Education Tom Morris  
January 15, 2008



## Spending recommendations for Pre-K education

*GF \$ in millions*

- **Expand existing Virginia Preschool Initiative, serving at-risk students first** **\$29.9**
  - Provides funding to expand access to preschool for at-risk four year olds. The proposal increases the maximum per-pupil amount and allows localities to claim a match rate between the current match rate of \$5,700 and \$6,790. It also caps the composite index calculation at 50% and allows more flexibility in counting local match. The proposal encourages greater cooperation with private preschool providers.
- **Fund Virginia Preschool Initiative administration** **\$0.7**
  - Funding allows for program monitoring, technical assistance, and evaluation by the Department of Education.

## Spending recommendations for Pre-K education (continued)



*GF \$ in millions*

- **Implement the voluntary quality rating and improvement system (QRIS) \$4.66**

- Provides trained raters who conduct observations of early learning programs, providing a rating based on specified quality features.
- Provides mentors to assist with improving quality of classroom settings and interactions, and resources to strengthen curriculum and materials.
- The QRIS rating is a strong consumer education tool for parents, a quality improvement system for providers, and a quality accountability measure for the state.

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## Spending recommendations for Pre-K education (continued)



*GF \$ in millions*

- **Build early childhood systems at the local level \$2**
  - Provides funds for Virginia Early Childhood Foundation (VECF) to increase grants for local communities to develop delivery systems, coordinated by local councils, to address the comprehensive needs of children from birth to school entry.
- **Strengthen the early childhood education workforce \$3.98**

- Provides education and training scholarships for teachers, assistant teachers and program directors seeking to earn associate and bachelor degrees and/or specialized training in early childhood education.

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## Spending recommendations for K-12 public education



GF \$ in millions

- **Rebenchmark Standards of Quality (SOQ), Incentive, and Categorical Programs** **\$943.4**

- Provides for the biennial update of the Standards of Quality, Incentive, and Categorical accounts based on fall membership, school instructional and support expenditures, funded instructional salaries, and other technical adjustments. Specific adjustments include revisions for:

Updated SOQ programs	\$890.3
Updated sales tax revenues	\$45.7
Updated Lottery proceeds	\$34.4
Updated incentive-based programs	\$12.0
Updated categorical programs	\$9.9
Updated composite index	\$9.9
Adjust fringe benefit contribution rates *	(\$58.8)

\*Provides funding for fringe benefits based on a contribution rate of 9.35 percent for retirement, a retiree health care credit rate of 1.12 percent, and an employer contribution rate of 0.36 percent for group life. The retirement rate reflects an average rate of return of eight percent and realizes the gains and losses of the system over 24 years. These are the same actuarial assumptions that are used for the current biennium.

## Spending recommendations for K-12 public education (continued)



GF \$ in millions

- **Increase salaries for public school teachers and employees** **\$132.4**

- Provides for a three percent salary increase for all local school staff and an additional half percent increase for teachers and instructional staff, effective July 1, 2009.

- **Directs the use of new at-risk funds for data coordinators** **\$2.1**

- Provides new funding in the second year to establish data coordinators in the 54 high schools that are currently not fully accredited or that have not achieved adequate yearly progress. Data coordinators will help these schools improve student achievement by interpreting the results of standards of learning tests and helping teachers improve curriculum and instruction based on those results.

## Spending recommendations for K-12 public education (continued)



GF \$ in millions

- **Other spending increases** **\$3.7**
  - Fund increased support for the career switcher mentor program, the National Board Certification program, Project Discovery, communities in schools, the Career Education Foundation, and expanded offerings in the Virtual Virginia program.
- **Increase Literary Fund support for school employee retirement contributions** **(\$30.0)**
  - Increases the use of Literary Funds to pay for school employee retirement contributions rather than the general fund.

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## Spending recommendations for K-12 public education (continued)



GF \$ in millions

- The Virginia School for the Deaf, Blind at Staunton***
- **Increase staffing and operational funding** **\$6.7**
    - Increases the number of instructional and support staff, and funds increased support costs resulting from the consolidation of the Schools for the Deaf, Blind and Multi-Disabled required by the 2007 session of the General Assembly
- The Virginia School for the Deaf, Blind and Multi-Disabled at Hampton***
- **Adjust funding due to consolidations of the Schools for the Deaf, Blind and Multi-Disabled** **(\$10.5)**
    - Transfers funds and positions to the Virginia School for the Deaf and Blind at Staunton due to the consolidations of the schools. In the first year, \$2.5 million is retained for placements and upkeep of the facility and property.

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## Spending recommendations for higher education



GF \$ in millions

### Providing Affordable Higher Education for Students and Families

- **Need-based undergraduate student financial aid** **\$18.2**
  - Offsets tuition increases at public colleges and universities
- **Addressing the Commonwealth's commitment to quality in higher education** **\$44.3**

- Supports the higher education institutions' core operating requirements needed to meet base adequacy guidelines. The funding is distributed among the higher education institutions based on their calculated percentage of resources to operating needs: those institutions with resources below 95% of their base operating needs received funding to move them halfway to 95%; those with 95% or higher received a 1% increase in funding.

## Spending recommendations for higher education (continued)



GF \$ in millions

### Investing in Higher Education Research

- **Restore Research Funding** **\$28.8**
  - Restores general fund support removed from the research institutions' based budgets to show the Commonwealth's commitment to self-supporting research enterprises.
- **Commonwealth Technology Research Fund (CTRF)** **\$10.5**

- Provides \$10.5 million to the CTRF to enhance research opportunities at the Commonwealth's public higher education institutions that exhibit a promising return of economic development. A CTRF grant committee will determine the allocation of funds using criteria focusing on research that best translates into economic development.

## Spending recommendations for higher education (continued)



*GF \$ in millions*

### Other Commitments

- **Salary increases for faculty and staff** **\$26.7**
  - Provides for a 3% salary increase on July 1, 2009 for teaching, and research faculty, administrative faculty and graduate assistants.
- **Interest Earning and Credit Card Rebates** **\$16.7**
  - Returns the interest earned from certain programs to institutions of higher education which have been certified institutions by the State Council of Higher Education as having successfully met performance benchmarks in the first year. In addition, the institutions certified by the Department of Accounts shall receive a credit card rebate for purchases not exceeding \$5,000 in the first year.
- **Support career coaches and the middle college program** **\$3.7**
  - Provides funding to help encourage high school students to attend college and enable young adults to secure GEDs and complete college courses through the Virginia Community College System.